

AGRICULTURAL FINANCE PROGRAM
DEPARTMENT OF AGRICULTURAL ECONOMICS
AND RURAL SOCIOLOGY
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ANNOTATED BIBLIOGRAPHY ON
AGRICULTURAL CREDIT AND
RURAL SAVINGS: X
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PREFACE

Background

This bibliography is an outgrowth of activities sponsored by the Office of Rural and Institutional Development, Science and Technology Bureau, Agency for International Development under a cooperative agreement with the Department of Agricultural Economics and Rural Sociology, The Ohio State University. The individuals responsible for the preparation of this bibliography are:

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Financial support for the work on this bibliography was received from the Office of Multisectoral Development (S & T/RD), Agency for International Development, Washington, D.C. 20523.

Assistance was provided by Mr. Claude Reece and the library in the USAID Mission in Dhaka in the acquisition of some of the studies.

Introduction

With the efforts to improve financial services in rural areas, increasing amounts of funds have also been devoted to do rural finance research in low income countries (LICs). This is shown by the increase in the number of rural financial market (RFM) studies conducted in these countries during the last three decades and a wide variety of topics covered in the research. During the 1950s and the 1960s, the major focus of RFM research on developing countries remained on supplying formal credit to rural households, rural indebtedness problems, demand for credit in rural areas, and impact of loans on rural borrowers. A few studies were also conducted on the business practices of private moneylenders. In the 1970s, while research on these same issues continued, a number of studies investigated rural savings utilization and the broader role of RFMs in rural development in LICs. In more recent years, the research scope was further widened to include loan default and delinquency problems, costs of lending and borrowing in rural areas, and the impact of various RFM policies and policy instruments on demand and supply of financial services in the rural sector and their role in affecting the distribution of wealth and income. In the past few years

there has been a dramatic improvement made in the theoretical models and analytical techniques used in rural finance studies.

This bibliography is a collection of abstracts of 120 studies conducted on rural finance in Bangladesh. Most of these studies were conducted during the past few years. The studies cover both agricultural credit and rural savings studies, and are arranged in alphabetical order by the last name of the author, or the senior author in cases where there are more than one author of a study. The number in parentheses after each abstract refers to the ACTS number in the library collection of the College of Agriculture Library at The Ohio State University.

Like the previous annotated bibliographies on agricultural credit and rural savings prepared at the Department of Agricultural Economics and Rural Sociology, The Ohio State University, this bibliography is intended to serve as a reference source for researchers interested in RFMs in developing countries.

Additional Information

Persons desiring information regarding publications listed in this bibliography or some other aspects of rural credit or savings should address their inquiries to:

The Agricultural Finance Program
The Ohio State University
2120 Fyffe Road
Columbus, Ohio 43210, USA

NOTE

This bibliography is the tenth in a series of annotated bibliographies prepared by the Ohio State University. The first three were published and distributed by the Agency for International Development as part of their A.I.D. Bibliography Series. Citations and ordering instructions for these three bibliographies follow:

- (1) Agricultural Credit and Rural Savings, A.I.D. Bibliography Series: Agriculture No. 7, December 1, 1972, 60 p.
- (2) Agricultural Credit and Rural Savings: II, A.I.D. Bibliography Series: Agriculture No. 8, July 1976, 60 p.
- (3) Agricultural Credit and Rural Savings: III, A.I.D. Bibliography Series: Agriculture No. 9, July 1977, 56 p.

Copies of these three bibliographies can be ordered from the Office of Multisectoral Development (S & T/RD) Agency for International Development, Washington, D.C. 20523.

- (4) Annotated Bibliography on Agricultural Credit and Rural Savings: IV, March 1980, 160 p.
- (5) Annotated Bibliography on Agricultural Credit and Rural Savings: V, April 1980, 60 p.
- (6) Annotated Bibliography on Agricultural Credit and Rural Savings: VI, September 1980, 65 p.
- (7) Annotated Bibliography on Agricultural Credit and Rural Savings: VII (Special Issue on India), May 1983, 84 p.
- (8) Annotated Bibliography on Agricultural Credit and Rural Savings: VIII, August 1983, 87 p.
- (9) Annotated Bibliography on Agricultural Credit and Rural Savings: IX, (Special Issue on the Dominican Republic), July 1984, 30 p.

The Bibliographies IV - IX were published and distributed by the Agricultural Finance Program, Department of Agricultural Economics and Rural Sociology, The Ohio State University, 2120 Fyffe Road, Columbus, Ohio, USA, 43210. Copies of these bibliographies can be ordered from the Agricultural Finance Program address given above.

1. Adams, Dale W and G. O. Nelson, "Rural Financial Markets in the Development of Bangladesh". Economics and Sociology Occasional Paper No. 547, Department of Agricultural Economics and Rural Sociology, The Ohio State University, Columbus, Ohio, December 1978, 29 p.

This paper reviews the performance of formal financial institutions in advancing credit to rural poor in Bangladesh. The authors find that, in spite of nationalization of most banks, relatively little of the formal credit in the country is going to the agricultural sector. They also find that the savings mobilized in the rural sector is very small and transaction costs of loans and deposits are high. They suggest flexible interest rates in order to improve the performance of lending institutions. (2101)

2. Adams, Gary D., "Experimental Approaches to Rural Finance in Bangladesh--First Year Findings". Proceedings of Workshop on Small Farmer Development and Credit Policy, April 7-11, 1980, 16 p.

Presents the status, accomplishments and shortcomings of the Rural Finance Experimental Project (RFEP) in Bangladesh after one year of operation. The RFEP involves nine rural finance institutions in demonstrating and testing nine alternative credit delivery systems. The project tests the hypothesis that interest rates are crucial for eliminating the constraints to the delivery of credit and savings to the rural poor. Findings tend to support the hypothesis. More than 70 percent of RFEP loans have gone to the target group; one third of the borrowers were landless persons. Higher lending rates of 24-30 percent are acceptable to rural producers who are more concerned about getting the loan. In general, the volume of RFEP lending has greatly increased the total amount of funds available for investment in the experimental areas. An increase in savings has also been noted. Repayment performance, however, has been mixed. The paper identifies institutional constraints as the primary obstacle to reaching the rural poor. Various recommendations for strengthening the institutional capability of lending institutions are proposed. (2877)

3. Ahmed, M. Farid, "Some Aspects of Agricultural Credit in Bangladesh". Monograph. Bureau of Business Research, University of Dacca, Dacca, Bangladesh 1980, 56 p.

The objectives of this paper are: (1) to show the gaps between the loan policy and procedures of the Bangladesh Krishi Bank (BKB) and their actual

implementation; (2) to identify factors responsible for problems in the operation of farm credit; and (3) to help planners and executives in understanding the problems that credit schemes generally face. Sixty-eight (68) borrowers were randomly selected from five villages in the Munshiganj town. The paper presents data on borrower characteristics and the problems they encounter in acquiring BKB loans. Borrowers from BKB are generally more literate with per capita incomes above the national per capita income of Tk. 1649. While 51 percent of the loan recipients own more than 2.5 acres of land, small and landless farmers are not getting BKB loans. However, on average, only about 65 percent of the amount applied for is received by borrowers. Non-interest costs are also generally higher than interest costs, with the highest share accounted for by work days lost. About 53 percent of the borrowers are defaulters, and crop damage is the main reason given for non-repayment, followed by "spent for other purposes." Farmers still borrow from non-institutional sources and this affects the marketing of produce in various degrees. Detailed tables are included in an appendix. (2942)

4. Ahmed, Momtaz Uddin, "Mobilization of Rural Savings: Some Innovative Approaches Towards Tapping a Latent Resource for Development". Political Economy, Journal of the Bangladesh Economic Association, Vol. 2, No. 1, 1977, pp. 65-74.

Argues that savings mobilization is important to the strategy of self-reliant economy. Discusses problems related to rural savings mobilization in Bangladesh. These include such adverse socio-economic factors as poverty, literacy and socio-cultural backwardness, and the lack of interaction between banks and the rural populace. Instances of successful savings mobilization through intermediate institutions (cooperatives, post offices) are cited. Interest rate and rediscount policies are singled out as important policy instruments to encourage banking activity in the rural areas. Other suggestions include deposit insurance schemes and the chartering of small rural banks to lend only within a prescribed area and to mobilize local private capital as a precondition to its operation. (3035)

5. Ahmed, Momtaz Uddin, "The Economics of Group Credit to Small Farmers and Landless Peasants." The Business Studies, Vol. II, No. 11, 1977, pp. 34-43.

Proposes the introduction of "group credit" scheme for small farmers with a view to ensuring a greater availability of credits to marginal farmers and increasing the efficiency of loan administration. Group credit is

defined as non-individual credit in which loans are extended to farmers who are organized together in associations, cooperatives, credit societies, etc. The responsibility of securing, managing, using and repaying the loans is a collective one. The advantages under such a scheme are also discussed. They include (i) scale economies for lending agencies in terms of lower supervision costs; (ii) reduced lending costs and risks of default; (iii) improved ability of farmers to borrow more, and hence, more opportunities for introducing new technology; and (iv) greater credit access to rural poor, contributing to greater income equality. The importance of tying capital supply with providing storage and marketing facilities within the group context is also discussed. (3035)

6. Ahmed, Momtaz Uddin, "The Special Credit Programme for Small and Cottage Industries: Performance Evaluation and Policy Suggestions". Asian Affairs, Vol. 4, No. 3, September 1982. Study Group, University of Dacca, Bangladesh, pp. 315-340.

The paper evaluates the success of the Special Credit Programme (SCP) in meeting the credit needs of small-scale and cottage industries (SSCIs). First, the effectiveness of loan appraisal, sanction and disbursement procedures is examined. Second, the volume of credit sanctioned and disbursed under the program is estimated and potential future demand projected. Third, the recovery of loans disbursed is analyzed and the effectiveness of monitoring end-use is examined. Lastly, an attempt is made to identify a workable arrangement to bring the various agencies administering the programme together in order to effect a more successful implementation. (3036)

7. Ahmed, Momtaz Uddin, "The III-IDA Credit Programme: An Assessment of its Relevance for Developing Small Industries in Bangladesh". Journal of Management Business and Economics, Vol. 9, No. 2, 1983, pp. 202-221.

Using data from head offices of the Sonali, Janata and Agrani Banks, the paper examines the efficiency of the Small and Cottage Industries-III (SCI-III) credit programme in meeting the needs of SCIs in Bangladesh. The procedures for sanctioning loans to SCIs and the progress of participating banks in utilizing loan funds under the SCI-III is examined. The sectoral and regional distinction of credits is also analyzed in the light of sectoral priorities outlined by the government in its Industrial Investment Schedule. The study observes that the SCI-III has been biased towards extending credit to the relatively more modern and larger segment of SCIs;

that the programme lacks comprehensiveness, leaving out the cottage industries; that small entrepreneurs have found difficulty availing of loans because of complicated procedures; that decision-making is so centralized and the number of branches limited, thus inhibiting geographical dispersal of loans. In general, the priorities reflected in the pattern of sectoral loan distribution conformed to those envisaged in the investment schedule. (3037)

8. Ahmed, Momtaz Uddin, "Credit Delivery as a Measure for Promoting Small and Cottage Industries in Bangladesh". Paper presented at the Seminar on Development of Small and Cottage Industries in Bangladesh, December 23-24, 1981, 24 p.

Reviews the existing arrangement for supplying institutional credit to the small-scale and cottage industries (SSCIs), identifies the constraints and problems facing industries in borrowing from the formal credit market and makes recommendations for evolving an appropriate credit delivery system which may provide easy access to formal credit by SSCIs. Argues that the specialized financial institutions and the nationalized commercial banks lack the organization, expertise and orientation required for financing the SSCIs. Proposes the establishment of a separate financial institution with the primary function of servicing the financial needs of SSCIs, or changing the present mode of lending of the existing institutions from conservative to dynamic. This involves simplifying lending procedures and relaxing existing rules and regulations to enable small borrowers to raise capital from the organized capital market. (3041)

9. Ahmed, Nizam Uddin, "Rural Finance Experimental Project (RFEP) Performance as Reported by the Borrowers: An Anthropological Study". Unpublished report prepared for the Agency for International Development, Dhaka, July, 1980, 76p.

Provides descriptive information on some of the credit and savings mobilization activities carried out under a USAID sponsored Rural Finance Experimental Project in Bangladesh. Anthropological field surveys were carried out by the author in five areas in early 1980. Information covers description of community studied, characteristics and opinions of borrowers, nature of loans, loan repayment performance, and comments on savings activities. Author reports low loan recovery rates, local confusion over interest rates charged on loans, and very little emphasis on voluntary savings mobilization. (3025)

10. Ahmed, Zia U., "Informal Credit Market: A Valuable Source of Rural Credit in Bangladesh". Paper presented at a seminar, Department of Agricultural Economics and Rural Sociology, The Ohio State University, September 1984, 14 p.

Takes issue with the argument that rural credit markets are monopolistic because of the prevailing high rates of interest. Using data from a rural credit survey, the author argues that the high interest rates in Bangladesh rural areas can be explained in terms of the excess demand for credit which institutional sources cannot fill and the associated high transactions costs which inhibit borrowing from institutional sources. On the supply side, high lending costs related to the inelastic supply of informal credit, and the associated transactions cost and risk premium explain high interest rates. Given the difficulty of access to the formal credit market, the author argues that informal credit markets perform a valuable service to rural people. (2989)

11. Ahmed, Zia U., "Transactions Costs in Rural Financial Markets in Bangladesh: A Case Study of a Rural Credit Market". Unpublished dissertation, University of Virginia, 1982, 201 p.

Argues that access to institutional credit by poor rural borrowers is limited because of financial repression through below-equilibrium interest rates. As banks engage in non-interest rationing to reduce excess demand, transactions costs of borrowing are raised. Using a sample of 122 households in 12 villages in a rural county in Dacca District, the study observes that while the institutional interest rate was around 12 percent, as compared with the average of 42 percent on informal loans, transactions costs for institutional borrowers were as high as 30 percent, compared to only 2.5 percent for borrowers from informal sources. This made the average effective interest rate higher on formal than on informal loans. Several recommendations are made -- liberalization of financial policies, including legalization of the informal market; lessening the dependence of credit institutions on external funds, etc. --towards counteracting financial repression.

12. Ahsan, A.S.M. Fakhrul, "On the Nature and Significance of Banking Without Interest". Bangladesh Bank Bulletin, Vol. 56, February 1978, pp. 1-7.

The focus of the paper is on how Islamic jurisprudence forbids charging interest on loans. The author discusses the idea of running banks without interest (on basis of profit sharing) in Islamic countries. The initial work of Saudi Arabia in establishing such banks is also discussed. (1839)

13. Ahsan, A.S.M. Fakhrul, "An Evaluation of the Monetary and Credit Policy and Operation in Bangladesh". Journal of the Institute of Bankers, Dacca, Bangladesh, Vol. 7, June 1978, pp. 48-66.

Author analyzes the operation of monetary and credit policy in Bangladesh. He discusses the evolution of monetary and credit policy from 1972 to 1975. He also examines regulations and extension of credit institutions designed to promote noninflationary economic growth. He concludes with the steps that have to be taken to increase the flow of credit to agriculture. In an appendix the important features of Bangladesh Bank's credit policy for 1977-78 are shown. (1823)

14. Ahsan, A.S.M. Fakhrul, "Performance of Rural Financial Markets in Bangladesh". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Dacca, Bangladesh, October 23-25, 1978, 16 p.

Paper discusses the role of the nationalized commercial banks in Bangladesh agricultural credit policy. Evaluates the performance of the banks since 1974. (172)

15. Ahsan, A.S.M. Fakhrul, "Towards Islamic Banking". Unpublished. December 1980, 26 p.

The rationale of Islamic banking is explained in this paper based on the precepts of the Islamic socio-economic order. The author argues for steps to be taken towards the establishment of Islamic Banks with the view to replace interest-based banking. The workings of existing Islamic banks (e.g. the Islamic Development Bank, Faisal Islamic Bank of Sudan, Jordan Islamic Bank, Dubai Islamic Bank) are explained and illustrated as models to be considered for adoption by other Islamic countries. (2369)

16. Ahsanullah, Mohammed, "Capital Accumulation Through Cooperatives". Bangladesh Academy for Rural Development, Comilla, Bangladesh, January 1974, 43 p.

This study reviews individual savings and share purchases by Comilla Cooperative members over the 1961-62 to 1970-71 period. Savings information on fifteen individual agricultural cooperatives is also presented. The author notes a close association between loan use and savings, and a very sharp decrease in the amount saved after 1968. (919)

17. Alam, Md. Ferdous, "Cost of Credit from Institutional Sources in Bangladesh". Bangladesh Journal of Agricultural Economics, Vol. IV, No. 2, 1981, pp. 51-62.

The non-interest cost of bank loans is examined using 1976 survey data involving 500 loans from six districts and four lending institutions. The study identifies four components of transactions costs, namely (i) application fee, stamps and supporting documents; (ii) form filing and writing; (iii) conveyance costs or travelling costs for loan negotiation; and (iv) cost of entertaining people to assist in loan negotiation. The last two constitute the major portion of total costs for all institutions. As expected, non-interest cost was found to decrease as loan size increases, suggesting that small borrowers incurred higher non-interest costs. (3029)

18. Alam, Md. Ferdous, "Factors Affecting Volume of Agricultural Credit Received from Selected Credit Institutions in Bangladesh". Bangladesh Journal of Agricultural Economics, Vol. V, Nos. 1-2, 1982, pp. 95-102.

Regression analysis is used to examine the determinants of volume of credit received. A 1976 sample of 500 loanees from the Janata Bank, Central Cooperative Bank, the Integrated Rural Development Programme and the Bangladesh Krishi Bank is used. Four factors were considered to determine volume of credit received: credit need, quantity of land, education and financial endowment of the loanees. The first three were found to have a significant positive impact on the volume of credit received, although results varied across individual institutions. (3030)

19. Alamgir, M., "Financing the Rural Poor: Experience in Group Lending to small Farmers and Landless Labourers". Mimeographed. October 1978, 14 p.

Paper describes an experimental action/research project by commercial bank in extending credit to groups of small farmers and landless labourers for productive efforts. Author presents the current state of affairs

of the rural poor, scope of the project, and the project's performance. He concludes that groups are becoming self-reliant and that group members have shown that they are credit-worthy. (347)

20. Alamgir, Mohiuddin, "Foreign Capital Inflow, Saving and Economic Growth--A Case Study of Bangladesh". Bangladesh Economic Review, Vol. 2, No 2, April 1974, pp. 577-598.

Examines the effect of foreign capital inflows on national savings and income in Bangladesh. The author concludes that these inflows had a positive effect on saving and income at both the aggregate and sectoral levels. (1042).

21. Alamgir, Mohiuddin, "Report on Grameen Bank Project". International Fund for Agricultural Development, October 1981, 23 p.

This paper reports on the findings of an IFAD mission which visited the Grameen Bank Project in October 1981. Various aspects of the Grameen Bank Project are discussed including membership, loan disbursement, types of activities financed and repayment performance. (2559)

22. Alamgir, Mohiuddin, "Rural Savings and Investment in Developing Countries: Some Conceptual and Empirical Issues". Bangladesh Development Studies, Vol. IV, No. 1 January 1976 pp. 1-48.

Author evaluated some of the conflicting empirical results about savings in developing countries with particular reference to India and Bangladesh. He attributes the conflicting results to differences in coverage of data and in the concepts used to measure income, savings, and investment. Author points out the sources of ambiguities and confusion in defining these concepts in rural areas. He then discusses alternative analytic approaches to examine rural saving and investment behavior and goes on to specific determinants that are likely to affect rural savings and investment behavior. Supporting evidence is presented from various studies. (1399)

23. Alamgir, Mohiuddin, "Some Analysis of Distribution of Income, Consumption, Saving and Poverty in Bangladesh". The Bangladesh Development Studies, Vol. II, No. 4, 1974, pp. 737-818.

Attempts to estimate the magnitude and trend of mass poverty in Bangladesh. Concludes that planned economic development over two decades has not affected the living standard of the majority of the people. Real income and consumption have been more depressed in the post-liberation era than in earlier years as galloping inflation has greatly eroded whatever gains in nominal earnings. The paper argues that significant reduction in poverty cannot come about without a complete restructuring of the production and distributional system. (3053)

24. Alamgir, Mohiuddin and Atiqur Rahman, "Saving in Bangladesh 1959/60-1969/70". Research Monograph No. 2, the Bangladesh Institute of Development Studies, June 1974, 260 p.

Study provides direct and indirect estimates of saving by various sectors in Bangladesh during the 1960s. Authors argue that future savings must be mobilized largely through efficient use of surplus manpower.

25. Ali, Muhammad Mohasin, Syed Ahmed Khan, "Performance of Integrated Rural Development Program During Post-Liberation Period". Bank Parikrama, Vol. VI, No. 3 & 4, September & December 1981, pp. 57-65.

Discusses the activities of the IRDP during the years 1971-72 to 1979-80 with emphasis on its physical growth. Observes that while IRDP credit operation is not negligible, capital accumulation through thrift deposits and sales of shares is not increasing. (3047)

26. Antholt, Charles H. and E. Boyd Wennergren, "Agricultural Credit Reform: The Case of Bangladesh". Unpublished paper. US Agency for International Development, Washington, D.C. 1983, 10 p.

This is a draft of a report on the results of a pilot rural finance project in Bangladesh. The objective of the project is to test the acceptability of higher interest rates among farmers and to measure the responsiveness of rural residents' savings to the higher interest rates. After presenting an overview of Bangladesh and its past credit programs, the pilot project is described and the findings presented. Findings suggest the viability of charging market rates of interest and mobilizing deposits to finance the loans. Data on loan volume by purpose and by household at various interest rates are included in the paper. (2683)

27. Asaduzzaman, M. and Mahabub Hossain, "Some Aspects of Agricultural Credit in Two Irrigated Areas of Bangladesh". Research Report New Series No. 18, Bangladesh Institute of Development Studies, Dacca, October 1974, 36 p.

This study attempts to analyze the relationship between amount of borrowing and some variables like family size, status and ownership of land. The authors observe that average borrowing has been increasing over time and institutional sources of borrowing are becoming more popular. They also find that the higher the number of persons to be supported per acre of holding, the higher is the amount of current debt among the farmers. (2034)

28. Asian Development Bank, "Appraisal of the Bangladesh Krishi Bank". Report No. BAN: Ap-44, November 1983, 85 p.

Reports the findings of a Bank Appraisal Mission of June 1983 to study the potential of a \$40 million loan for lending to promote agro-industrial enterprises. A good overview of the Bangladesh economy is provided emphasizing the role of agro-industries in the context of the country's new industrial policy. Various aspects of the financial system are also discussed--the institutional framework, credit policy and major policy instruments, major issues in credit policy and agricultural credit operations of the financial institutions. The performance of the Bangladesh Krishi Bank (BKB) is then analyzed and discussed in detail. In the judgment of the mission, the BKB's lending program is "consistent with its role and executing capabilities and with market and entrepreneurial potential." An Appendix includes the following information: production of selected agricultural crops, estimated resources and assets of the Bangladesh financial system, various financial data on BKB and its operations, and economic and financial returns of selected enterprises. (2879)

29. Ather, S.A., et al., "A Study on Alternative Institutional Arrangement for Grameen Bank Project". Bangladesh Institute of Bank Management Study Report, December 1982, 31 p.

This paper is a report of a research team organized to evaluate the existing institutional arrangements of the GBP and to explore the possibility of an alternative structure. Primary data were gathered from 3 GBP outlets in Chittagong district and 6 in Tangail district. After providing a background on GBP's rationale and objectives, its operational structure and the efficiency of

such structure are discussed. The report highlights the dependence of GBP on banks and other organizations in its loan operations and in the appointment of GBP personnel. It is argued that under such a set-up, GBP's programme of expansion may be seriously constrained. Recommendations for an alternative institutional set-up include: granting deposit-taking powers to outlets at rates of interest higher than those offered by other credit institutions, borrowing privileges from Bangladesh Bank at a subsidized rate, and power to borrow at concessional terms from international organizations either directly or through Bangladesh Bank. Changes in the organizational structure are also proposed. (2885)

30. Bahar, Habibullah, "Financial Intermediation and Rural Economic Development". Bank Parikrama, Vol. VII, Nos. 3 & 4, September & December 1982.

Provides background of how banks got involved in rural finance in Bangladesh. Reports on the performance of banks in rural areas since 1974 and traces the growth of deposits and advances in rural areas through 1981. Argues that the problem of deposit mobilization by banks in rural areas is one of creating a market for bank deposits in the conditions of mass poverty, illiteracy, ignorance and prejudice. There is also a lack of infra-structural facilities. (3057)

31. Bailey, Raymond A. and Robert G. Hoover, "Bangladesh Rural Credit Project". Unpublished final report by Public Administration Service, Washington, D.C., June 1977, 141 p.

Paper is the final report of work by authors with AID-/Dacca on preparation of project paper for the proposed Bangladesh Rural Credit Project. The main focus is on (i) resolution of the interest rate issues and (ii) design of the various institutional credit models. Policy issues related to the project are discussed. (1663)

32. Bangladesh Bank, "Agricultural Credit Policies and Programmes in Bangladesh" (Country paper). Paper prepared for the 4th General Assembly of APRACA, held in Manila, December 1982, 13 p.

The paper outlines the agricultural credit policies and programmes in Bangladesh. The institutional framework of the credit policies and programmes is highlighted and the performance of credit institutions in 1981-82 is discussed relative to the targets set in the annual agricultural credit program for the same year. Some

background information regarding specific credit programmes of the government and Bangladesh Bank is also provided. (2640)

33. Bangladesh Bank, "Detailed Guidelines for Implementation of Agricultural Credit Programme of Tk. 100 Crores to be Disbursed During the Calendar Year 1977". Mimeographed. Bangladesh Bank, Dacca, Bangladesh, 1977, 15 p.

The report presents some of the operational guidelines to be considered by the institutional agencies for implementing the agricultural credit program of 100 crores disbursement of credit during 1977. Area-wise and crop-wise allocation of credit is discussed in the report. In addition, eligibility of loan applicants, loan application procedures, disbursement policy, security of loans, group loans, and interest rates of the loans are discussed in detail. (450)

34. Bangladesh Bank, "Problems and Issues of Agricultural Credit and Rural Finance". Deliberations of the International Workshop on Providing Financial Services to the Rural Poor, Dacca, Bangladesh, October 23-25, 1978, 298 p.

Contains the papers that were presented at the International Workshop on Providing Financial Services to the Rural Poor, held in Dacca, with a preface by Dr. Dale W Adams of The Ohio State University. The papers cover three broad topics. They are: 1) the recent performance of rural financial markets in Bangladesh and several other low income countries, 2) policy changes which might result in expanded financial services for the rural poor, and 3) specific techniques which might be used by financial agencies to reach the rural poor. (2138)

35. Bangladesh Bank/U.S. Agency for International Development, "Rural Finance Experimental Project Baseline Survey", Volume I-II (Vol. 1 - Report proper; Vol. 2 - Data). Dacca, Bangladesh, Rural Finance Experimental Project, Ref. B-189/82, 1982.

This survey is part of the RFEP and was prepared with the view to generate information that would facilitate an evaluation of the RFEP through a future impact survey. It presents information on the demographic and socio-economic characteristics of the people of the experimental project area including their production opportunities, asset position, loan and saving practices, etc., with focus on earning activities of women. The survey covers 2985 households in 69 villages, and was conducted in 29 new outlets of the RFEP from

September to December 1981. Information contained in the report includes size and composition of households, occupational, educational and economic status of household members, landholding, farm practices, credit and loan practices, income, expenditures, savings and asset position. (2891)

36. Bangladesh Bank/U.S. Agency for International Development, "Rural Finance Experimental Project, Borrowers' Financial Survey", Volume I-II (Vol. 1 -Report Proper; Vol. 2 - Data). Dacca, Bangladesh, Rural Finance Experimental Project, August 1982.

Examines the financial viability of the borrower, i.e., ability to repay the loan including interest, and the impact of credit on his income, economic worth and well-being to determine whether any benefit was derived from credit. Data are based on a nationwide survey covering 4009 respondents composed of borrowers, non-borrowers and drop-outs from RFEP. The survey finds a significant majority of borrowers viable, having accumulated enough surplus to meet loan liabilities. The highest proportion of viability among borrowers is observed in the highest income-size groups, and viable borrowers have shown better performance in terms of over-time change in economic well-being than their non-viable counterparts. The study notes, as well, that the economic position of the landless borrowers has been most favorably affected by borrowing in terms of a change in net worth. Overall, the study suggests that 61 percent of borrowers are net gainers from RFEP, having been viable even after raising income, consumption and net worth. Moreover, changes in the occupational distribution and increases in the scale of operation of borrowers are noted as a result of the introduction of RFEP. (2892)

37. Bangladesh Bank/US Agency for International Development, "Rural Finance Experimental Project Major Evaluation Report". Unpublished Report, REF:B-85-82, January 1982, 339 p.

Evaluates the results of the RFEP which was designed to develop and identify one or more rural financial systems for extending credit to poor rural producers. The report notes that the experiments on different models conducted by the participating banks have been instrumental in providing information about the rural credit situation in Bangladesh. The experiments have shown the existence of demand for credit for both capital investment and operating expenditures. Furthermore, it has been established that there is credit demand at varying rates of interest, suggesting that the internal rate of return in some activities, especially non-agricultural,

is quite high to attract borrowing at high enough rates. However, the demand at the various rates has exceeded what the institutions had thus far lent out. The experience of the participating institutions using the different models is described and the models are then compared in terms of their relative effectiveness in extending credit, recovering loans, maintaining financial viability and mobilizing savings. Other issues discussed pertain to group lending, incentives, training of bank personnel and loans to women. (2876)

38. Bangladesh Bank/U.S. Agency for International Development, "Rural Finance Experimental Project Institutional Survey, September 1981 - March 1982."

The survey provides a detailed analysis of the institutional and financial viability of nine credit institutions participating in the RFEP and experimenting with eight different models in 97 outlets at varying interest rates. The study uses data gathered from a sample survey conducted at the institution and outlet level as well as from periodic financial reports by the institutions. The study considers RFEP as a viable operation on the whole, making increasing profits from 1.9 to 3.3% (of the average monthly loan outstanding balance) after provision for bad debts and excluding the effect of incentive payments. However, financial viability of the institutions could be further improved by reducing cost rates; in particular by increasing the lending operation and productivity of outlets, improving the process and performance of loan recovery and follow-up, and exploring the possibility of making non-interest bearing deposits the major source of funds. The study also provides an institution-by-institution comparison of: effectiveness in reaching the target group, activities financed, loan recovery and reasons for overdues, performance in deposit mobilization and personnel supervision, training, salaries and job conditions. (2890)

39. Bangladesh Government /World Bank, "Bangladesh Agricultural Credit Review", 3 volumes (Vol. 1 - Main Report; Volume 2 - NRC Working Papers; Vol. 3 - Statistical Appendix). August 1983.

Reviews the performance of the agricultural credit sector of Bangladesh from the mid-and late seventies through 1981-82. Analyzes the pattern of credit allocation and funding, loan recovery, interest rate policy and the institutional framework for credit delivery. Argues that the further growth of agricultural credit faces the following constraints: a lack of availability of financial resources and the incentive to apply them for agricultural lending, increasing overdues limiting

resources to recycle, complex lending procedures, functional overlaps and organizational confusion in the field, lack of policy direction and poor management of the sector as a whole. Proposes reforms in refinance policy, guarantee arrangements, interest rate policy, credit network, cooperative policy and lending procedures. Volume 2 contains detailed discussions of the problems cited above. Volume 3 provides sectoral as well as bank-level statistics on the various aspects of agricultural credit. (2878)

40. Bankers' Colloquium, "Report and Recommendations of the Bankers' Colloquium on Providing Credit Facilities for Marginal Women". UN Integration of Women in Development, ESCAP-UNDP Regional Project RAS-78-045, December 1980, 16 p.

Discusses how poor women as borrowers and investors may be made economically self-reliant both individually and collectively and how they can use their productive potential by obtaining credit. (2561)

41. Blair, Harry W., "Rural Development, Class Structure, and Bureaucracy in Bangladesh". World Development, Vol. 6, No. 1, 1978, pp. 65-82.

Paper argues that the constraints on rural development in the Third World can be fully understood if the bureaucratic behavior existing independently of class structure is considered. Comilla development program in Bangladesh is cited to illustrate the argument. Author concludes that the Comilla program has shown a marked and substantial increase in production over the years but large farmers have been its beneficiaries. These large farmers were also able to capitalize on their dominant position in the rural economy and cornered most of the agricultural loans while getting away with defaulting on them. The existence of bureaucratic factors has biased the development program toward rural elites. (1597)

42. Choudhury, Omar, "Critical Rates of Interest for Institutional Lending to Agricultural Sector in Bangladesh". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 28 p.

The author contends that no approach to an interest rate reform can be made to deliver the goods unless the lending rate is made to represent the real rate of interest. A method to determine the cut-off rate is suggested

together with rates on deposit. The implication of this for more deposit mobilization, and more loans going to small farmers is also discussed. (1104)

43. Choudhury, Tonfic Ahmad, and Md. Sayed Hasan, "Interest Factor for Financing the Rural Poor - Some Observations and Remarks". Bank Parikrama, Vol. VIII, Nos. 1 & 2, March and June 1983, pp. 71-78.

Discusses the problem of reconciling broad economic and social profitability with commercial profitability in the context of the objective of providing the rural poor access to institutional credit and encouraging financial institutions to help realize that objective. (3051)

44. Choudhury, Tonfic Ahmad, "Problems of Marketing of Bank Services in Rural Areas". Bank Parikrama, Vol. VII, Nos. 1 & 2, March & June 1982, pp. 43-48.

Discusses certain problems encountered by banks in marketing their services in rural areas. These include: urban orientation among top management; non-existence of a marketing information system; inadequacy of well-trained staff; unsatisfactory bank-customer relationships, cumbersome procedures and the improper nature of bank programmes. Unhealthy competition among banks, illiteracy and ignorance among the rural populace and the rural power structure are also identified as impeding the development of bank marketing in rural areas. (3058)

45. Church, Philip E. and Gary D. Adams, "Experimental Approaches to Rural Credit in Bangladesh". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 26 p.

This paper reviews rural financial markets and agricultural credit policy in Bangladesh. Authors present nine models which will be implemented by nine different organizations in October-November 1978 throughout Bangladesh. The main feature of the project is that in all experimental areas, government regulations and restrictions related to interest rates, collateral requirements and other aspects of rural credit will be waived to permit wide experimental latitude. Issues of project implementation are discussed. (1544)

46. Clapp & Mayne, Inc., Proggani Consultants Public Administration Service, "Small-Scale Lending in Bangladesh". Unpublished (draft report). May 1983, 52 p.

Paper reports on the accomplishments of an experimental credit program undertaken in 1978-1982 by nine credit institutions under the aegis of Bangladesh Bank and with USAID support. The objective of the program was to test whether extremely poor borrowers could be reached by formal credit institutions with the latter maintaining profitability. The impact on borrowers of increased access to credit was also to be examined. The report concludes that the program has been successful in reaching poor borrowers while keeping banks in a profitable state. Numerous bank level data are presented (e.g., levels of lending, activities financed, number of borrowers, overdue loans, loan and deposit interest rates, administrative costs, profitability, etc.). (2704)

47. Debnath, B.B., "Credit Problems in Rural Areas and Suggest Measures for Increased Flow of Bank Finance to the Region". Journal of the Institute of Bankers, Vol. 6, December 1977, pp. 60-72.

Expansion of the banks into rural areas after nationalization of the banking system is discussed. Factors retarding the flow of bank credit in the desired directions are identified, and suggestions for improvements in operational methods and procedures of rural branches are given. (1623)

48. Fry, Maxwell J., "Pitfalls in the Partial Adoption of the McKinnon-Shaw Development Strategy: The Nepalese Experience". The Bangladesh Development Studies, Vol. VI, No. 3, 1978, pp. 257-270.

Analyzes why the interest rate reform undertaken in Nepal had only a mildly expansionary effect. The failure of the reform is traced to other government policies which created disincentives for profitable investment. Interest rate reform alone could not raise saving, investment and growth without the simultaneous liberalization of exchange rate, trade, fiscal and price policies. (3020)

49. Gadway, John, "Report on Savings for the Rural Finance Experimental Project". Unpublished paper. 1982, 35 p.

Evaluates the savings component of the RFEP. Argues that RFEP not only lacked specific positive incentives for savings mobilization, but also created a strong disincentive for banks by rewarding them for concentrating on lending and loan recovery. Notwithstanding the incentive to depend on the central bank for funds, a number of banks have performed remarkably well in mobilizing savings. As bank outlets mature, savings become

an increasingly important source of funds which necessitates some incentives if banks are to be persuaded to use this perceived higher cost source. Attention should be given to mobilizing savings from the non-target group which has been found sensitive to deposit interest rates. Specially commissioned savings mobilizers at the grass roots levels can also be employed to tap hidden rural household savings. Data on savings and loan volumes by institution and by interest rate, overdue loans by institution and by interest rate, number of borrowers by institution, bank operating costs, etc., are presented in the text and appendix. (2888)

50. Gangopadhyay, A.K., "Interest Rate Policy for the Rural Sector". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 4 p.

Author discusses pros and cons of concessional versus high interest rate policy for the rural sector. (482)

51. Gertsch, Milton E., "Agricultural Credit Problems and Option, Bangladesh". Unpublished paper, Dacca, Bangladesh, February 1977, 9 p.

The author discusses some of the main problems associated with agricultural credit in Bangladesh. He also discusses the major objectives and projects of the new agricultural credit program in Bangladesh. The main advantages of the program to farmers, wholesale merchants, government and the nation as a whole are also discussed in the paper. However, the author argues that the program might result in transfer of economic and political power to the private commercial/agricultural sector in farming communities and that there might be an excessive rise in fertilizer prices and interest rates. (473)

52. Hoque, Md. Nazmul, "Agricultural Credit: Some related Issues". Journal of the Institute of Bankers, Vol. 7, June 1978, pp. 22-37.

The paper analyzes a new 100-Crore credit program. Section I of the paper discusses the problems of rural financing and the economic implications of providing large scale agricultural credit. Section II reviews the general results of the credit program. In Section III some suggestions are put forth to make the program more effective and to make use of the experience in other fields. (1866)

53. Hossain, Mahabub, "Credit Programme for the Landless: The Experience of Grameen Bank Project". Paper presented at the 4th National Conference of Krishi Arthoniti Samity (Agricultural Economists' Association) held at Dhaka, September 8-9, 1983, 26 p.

The paper presents the preliminary findings of a study conducted to evaluate the Grameen Bank Project (GBP). Various data covering the period 1980-1st half of 1983 are presented on villages covered and number of members, number of borrowers, amounts disbursed, repaid and saved, activities financed, etc. The study points out that credit is being utilized for a large number of productive, non-crop activities; that it has been successful in reaching the target group of landless and resource-poor people; that loan recovery performance is excellent and that the project as a whole, considering the operating costs of a GBP unit, is breaking even with the interest rate at 13 percent. The paper also makes the claim that the project has had a positive impact on per capita incomes, consumption and capital formation. (2884)

54. Hossain, Mahabub, "Credit for Alleviation of Rural Poverty: An Assessment of Initial Experiences of Grameen Bank in Bangladesh". Unpublished study prepared by the Bangladesh Institute of Development Studies, June 1984, 116 p.

Reports on credit activities of the Grameen Bank aimed at the landless and poor women in Bangladesh. The bank's activities began in 1979 and in mid-1984 it had 95 branches in five districts. Most of its loans go to groups of about five people and loan repayment is made weekly for 52 weeks. Three types of forced savings are also tied to the credit activity. Report is based on 839 household interviews in 1982 and analysis of bank generated data. Results showed that most borrowers were poor; a majority were women; most were involved in non-farm work; that about 6 percent of the value of loans were not recovered, and that the bank's operating expenses were slightly less than its income. The bank's expenses were low partly because of low wages paid to workers, concessionary priced funds made available to Grameen Bank for lending, and the absence of loan loss reserves. Analysis of household expenditures showed surprisingly high marginal propensities to save. (3033)

55. Hossain, Mahabub, "Credit for the Rural Poor: The Experience of the Grameen Bank in Bangladesh". Bangladesh Institute of Development Studies, October 1984, 173 p.

This study is an evaluation of the initial experience of the GBP. It focuses mainly on the operation of the bank and its economic impact on the clientele. Using field survey data collected in 1982 among bank officials, the project's target clientele, and the programme's target group of population in comparable outside project (control) areas, the paper addresses the following issues: (a) The success of the GB in reaching the target group; (b) the cost of operation of the GB; (c) repayment performance of the loanees; (d) rate of return on investment for the major GB-financed activities; (e) impact of the project on employment, income, and consumption of the loanees; and (f) impact of the project on investment and demand for non-farm activities. In general, the study finds that the GBP has successfully reached its target clientele; that repayment performance is "excellent"; that operating costs have remained at levels that do not require subsidizing the target group; that the rate of return on investment in GBP activities declines beyond some loan size, hence explaining why large borrowers tend to divert a portion of their loans to other than GBP-activities; that consumption and per capita incomes have generally risen on account of productive employment for longer periods; and that the size of the market may eventually constrain the expansion of GBP activities. The study presents much statistical information on the socio-economic conditions of the target clientele; operation of the GBP; disbursements and recovery performance); activities financed and their economic returns; and impact on the income and consumption levels of the target group. (3063)

56. Hossain, Md. Akmal, "Financing the Small Farmers--Problems and Remedial Measures". Bank Parikrama Vol. VII, Nos. 1 & 2, March & June 1982, pp. 84-90.

Discusses some problems associated with providing credit to small farmers. These include: lack of development orientation among banks; lack of adequately trained bank personnel; limited bank network; high costs and risks associated with small farmer lending; procedural complexities; and the general riskiness of agriculture. Certain remedial measures addressing the problems discussed are proposed. (3061)

57. Hossain, Md. Mukarram, "Agricultural Credit and Alternative Sources of Income of Farmers in Bangladesh Rice Research Institute Project Area: 1976-1977". Bank Parikrama, Vol. VI, Nos. 3 & 4, 1981, pp. 30-38.

Study focuses on 96 farmers in eleven villages of a BRRI project area and their credit situation. Specifically, farmers' use of credit and their sources of credit are

examined. Credit institutions were the primary credit source in the project area, although farmers considered the amounts obtained as insufficient. A number of farmers preferred to get money by surrendering their land to the lender (for the latter's use until the loan was repaid) rather than go to institutional sources. Farmers who did not borrow were either self-financing farmers (due to high incomes) or farmers avoiding borrowing for the risk associated with it. The majority of farmers interviewed belonged to the self-financing category. (3045)

58. Hussain, Mohammed Ghulam, "An Analytical Review of Non-Formal Rural Credit Studies in Bangladesh". Unpublished study prepared for the Agricultural Development Council, Dhaka, February 1983, 139 p.

Report presents a summary of 28 studies done on the informal rural credit system in Bangladesh from 1947 to 1982. It includes a synthesis and critique of research methods applied, sources and magnitudes of informal credit, patterns of informal credit use, and the terms and conditions applied to informal loans. The studies reviewed show a rich and diverse informal credit system in rural areas. They also show that the relative importance of informal credit has declined, but that it still provides two-thirds or more of rural credit use. The author does not stress monopoly profits as a major feature of these informal credit markets. (3023)

59. Hussain, Quazi Sharafat, "Village Agent Model". Unpublished paper. April 1980, 15 p.

This paper describes the Village Agent Model, which is one of several models utilized in experimental credit operations with a view to increase the flow of farm credit to poor rural households. The village agent serves as a link between the lending bank and the farmers while cutting down lending costs for the bank. Some tentative conclusions about the effectiveness of the model are made, impediments to success are identified, and recommendations advanced. Findings are based on the operations of three branches of the Rupali Bank in three selected villages. (2192)

60. Hye, Hasnat Abdul, "Effects of Flood (1984) in Bangladesh: Survey of Nine Villages in Comilla". A report prepared by the Bangladesh Academy for Rural Development, Kotbari, Comilla, October 1984, 40 p.

As part of a more general report on problems caused by flooding in Bangladesh, the author presents information on rural indebtedness in nine villages in Comilla. The findings show that in September 1984, 70 percent of the 1,110 families surveyed had debt, more than half the loans were from banks, more than one-quarter from money-lenders and only 5 percent from cooperatives. About 13 percent of the households took out loans after or during this flood. The author points out that additional loans were a major part of the government's response to the flood. (3022)

61. International Fund for Agricultural Development, "Bangladesh Grameen Bank Project Identification, Preparation Report". Unpublished IFAD Mission Report, December 1983, 52 p.

Reports the findings of an IFAD Mission which visited Bangladesh to assist in the preparation of a proposal for second phase funding of the GBP. The Bangladesh economy is described including its credit institutions, the rural landless sector and previous efforts to extend credit to the landless. The origin, features and general characteristics of the Grameen Bank are discussed. Specific points of interest include: sources of funds, organization and management, training and staff development, lending policies and procedures, operational performance and financial operations. The proposed expansion of the GBP -- its rationale, costs, organization and implementation and benefits -- is evaluated. The mission concludes that the Grameen Bank can achieve its proposed growth rate, but it cautions the GB to look upon the target numbers of new branches as variable and dependent upon successful performance, and suggests a monitoring system that would immediately identify any deterioration in performance. Includes an appendix containing details of GB organization and operations. (3039)

62. Islam, Tajul, "Customer Services at the Branches of the Banks". Bank Parikrama, Vol. VII, Nos. 3 & 4, September & December 1982., pp. 49-58.

Argues that services in bank branches may be improved through the following measures: ensuring scientific layout and proper location of branches; adequate incentive arrangement for good performance, systematic manpower training well-designed system of rewards and punishments, proper selection and development of managers and timely supply of necessary logistics. (3034)

63. Jabbar, M.A., M.A.S. Kandal and K.K. Elahi, "Usufructu-ary Land Mortgage: A Process Contributing to Growing Landlessness in Bangladesh". Bangladesh Journal of Agricultural Economics, Vol. III, No. 2, 1980, pp. 1-20.

Using historical and recently collected survey data from a sample of 383 farm households, this study discusses the evolution of land mortgage as a means of securing credit and its consequences on land transfer and landlessness. It is shown that marginal landholders lose land and become landless, while large landholders accumulate land primarily through land mortgage. (3054)

64. Jalil, M.A., Customers' Services Development: Banking Services to Rural Customers in Bangladesh". Bank Parikrama, Vol. VII, Nos. 3 & 4, September & December 1982, pp. 40-48.

Argues that extension of rural branches of commercial banks would be meaningless unless customers' services are increased and prospective customers are attracted. Discusses the pattern of banking in Bangladesh using data for the period 1970-71 to 1980-81, and suggests ways to ensure better customer services. (3055)

65. Jamal, Ahmed, "Farm Credit in Bangladesh". Paper presented at APO Symposium on Farm Credit, Manila, November 29 - December 4, 1982, 24 p.

Presents problems and issues attendant to the provision of credit and credit-related policies in Bangladesh. Discusses some trends in farm credit and shows statistics on, among others, farm credit requirements, loan availability, rates of interest. Also discusses the operations of institutional sources and their contribution to total loan supply. Problems confronting farmer-borrowers and lending agencies are then reviewed. Potential areas for reform are considered. (2645)

66. Januzzi, F. Tomasson and James Peach, The Agrarian Structure of Bangladesh: An Impediment to Development. Boulder, Colorado, Westview Press, 1980.

Argues that the concentration of land in the hands of a rural elite is the principal impediment to the participation of the weaker sections of the peasantry in economic progress. In particular, terms of tenancy relationships in Bangladesh do not encourage investment in agricultural inputs by tenants. Moreover, 1978 survey data show that the availability of credit is biased towards landowners and that tenants largely obtain

credit for agricultural purposes from informal sources. Data also show differential access to credit in terms of the much larger loan sizes that landowners and owners-cum-tenants can obtain than tenants and owner-cum-tenants. (3052)

67. Jones, Steve, "A Critical Evaluation of Rural Development Policy in Bangladesh" in Jones, Joshi and Murmis (eds.), Rural Poverty and Agrarian Reform. New Dehli, Allied Publishers, 1982, pp. 83-112.

This paper examines the success of the Integrated Rural Development Program (IRDP) model in Bangladesh in terms of (1) increased agricultural production; (2) equitable access by different socio-economic groups to cooperatives and to new inputs; (3) equal distribution of incremental income and investment of the new surplus in productive or employment creating activities; (4) replicability of the program throughout Bangladesh; and (5) employment of the increasing numbers of landless and marginal families. The author concludes that the introduction of HYVs and the IRDP has not resulted in any dramatic increase in agricultural production; that the cooperatives have become dominated by the large farmers who corner the available credit, are the largest defaulters, and have the best access to irrigation; that increases in incomes have occurred mainly to large and medium farmers who have not productively invested the surplus in employment-creating activities; and that high input subsidies (capital, in particular) make the IRDP costly to be replicated throughout the country. (2441)

68. Kamaluddin, A.H.M., "Financing Small-Scale Industrial Enterprises in Bangladesh" in Diamond, W. and Raghavan, V.S. (eds.), Aspects of Development Bank Management. The Johns Hopkins University Press, Baltimore, Maryland, 1982, pp. 162-192.

Focuses on the problems of financing small-scale industrial enterprises (SSIE) in Bangladesh after providing an overview of the SSIE sector in the country. Problems of marketing, raw materials, technology and infrastructure are also discussed. The institutional apparatus for implementing the policy of SSIE promotion is described, highlighting the experience of the Bangladesh Shipla Bank, a development bank, in financing SSIE. Solutions to the problems of SSIE are proposed. They include: emphasizing SSIE with strong potential inter-as well as intra-industry linkages; utilization of labor-intensive, simple and cheap technology; rationalization of interest rate policy; establishment of industrial estates, among others. (2881)

69. Khan, A. Aziz, "Serving the Rural Poor: Facts from Experiments". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Dacca, Bangladesh, October 23-25, 1978, 36 p.

The paper begins with an examination of the category of village people who have been considered as rural poor under the various experiments conducted by the Bangladesh Academy for Rural Development in Comilla. Additional experiments are also reported. Data presented is tentative and can only be used as a rough indicator of results. (1874)

70. Khan, Ali Akhtar, "Rural Credit Programme of Agricultural Cooperative Federation". Bangladesh Academy for Rural Development, Comilla, Bangladesh, November 1971, 106 p.

The author attempts to explain the high default rate on loans to agricultural cooperatives in Comilla, Bangladesh. Data, dating from October 1969, were gathered from a random sample of 6 defaulting primary societies and from 30 of their members. It was found that a large share of loans went to the societies' managing committees, who were the chief defaulters. (736).

71. Khan, Anwarruzzaman, "Bangladesh Banking Plan for Credit Operation of TCCA/BSS/MSS" (Thana Central Cooperative Assn./Bittahen Samaboya Samity/Mohila Samaboya Samity*). Document distributed to officers of Sonali Bank and the Bangladesh Bank Development Board, October 1983, 148 p.

The Banking Plan provides operational guidelines for the use of the Bangladesh Rural Development Board and participating credit institutions in the management of TCCA/BSS/MSS and implementation of the lending programme. The lending rate, eligibility criteria, disbursement and repayment procedures, security and documentation requirements are discussed. Loan procedures for specific activities are given in detail. Several annexes dealing with TCCA/BSS/MSS classification criteria and guidelines for loan accounting, recovery and loan recovery reporting are included. (2883)

*BSS - Rural Poor Cooperative Society
MSS - Women's Cooperative Society

72. Khan, Syed Ahmed and Nirod Chandra Roy, "Changes in Interest and Their Impact on Bank Deposits and Credits in Bangladesh". Bank Parikrama, Vol. VII, Nos. 1 & 2, March & June 1982., pp. 64-69.

Examines the effect of interest rate changes on bank deposits and credit using data for the period 1972-73 to 1980-81. Real deposit rate was found not to be a statistically significant determinant of deposit variations. The same statistically insignificant relation was found between lending rates and the behavior of bank advances. (3060)

73. Mahmud, Wahiduddin, and S.R. Osmani, "Impact of Emigrant Workers' Remittances on the Bangladesh Economy". The Bangladesh Development Studies, Vol. VIII, No. 3, 1980, pp. 1-28.

This paper estimates the flow of workers' remittances from the Middle East to Bangladesh and assesses the impact of those remittances on the Bangladesh economy. Emphasis is given to the balance of payments effects of remittances and the income and savings of the remittance-receiving households. Study argues that given the substantial portion of workers' earnings remitted through official channels, changes in the existing incentive system will have a negligible effect on the level of official remittances. Inefficient use of foreign exchange might also be encouraged. The absolute impact on the income and savings of remittance receivers was found to be substantial. However, a worsening of income distribution is another possible result. (3019)

74. Maloney, Clarence and A.B. Sharfuddin, "Rural Finance Experimental Project: Sociological Report" unpublished report prepared for the Bangladesh Bank and the U.S. Agency for International Development, Dhaka, May 1982, 64 p.

Reports on credit-use information gathered in three sets of interviews totaling 1350 respondents in various rural areas of Bangladesh in 1982. This includes information on borrowers and savers participating in a rural finance experimental project sponsored by the Agency for International Development. Information is also presented on malpractices in credit activities and on informal sources of credit. Data are presented that show only ten percent of the households interviewed mortgaged their land to informal lenders and that only two percent could actually cite a case where someone lost their land to an informal lender. (3024)

75. Majid Molla, M.A., "Institutional Delivery System of Agricultural Credit in Bangladesh". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 26 p.

Author describes present credit institutions in Bangladesh and evaluates their performance in delivering credit to the rural sector. He compares these institutions' performances both before and after Bangladesh's liberation. Institutions under study are the Agricultural Development Bank, Cooperative Banks/ Associations, the government and commercial banks. No conclusions are drawn but the author stresses that rural credit must be made more accessible, profitability of lenders improved, and loan defaulting minimized in order for effective credit delivery to take place. (1894)

76. Majid Molla, M.A., "Rural Banking". Journal of the Bangladesh Academy for Rural Development, Comilla, Vol. VI, No. 1, July 1976, pp. 41-57.

Article presents a description of the formal rural financial market in Bangladesh. Author stresses the need to use these markets to mobilize voluntary savings. (1440)

77. Majid Molla, M.A., "Credit Problems of the Rural Disadvantaged in Bangladesh". Bank Parikrama, Vol. VII, Nos. 3 & 4, September & December 1982.

Examines the credit problems of the rural disadvantaged in Bangladesh and discusses some issues identified through the implementation of the Grameen Bank Project and the Rural Finance Experimental Project. Claims that the two projects have demonstrated that: (1) rural credit, if properly supervised, can reach the rural disadvantaged; (2) such loans can be satisfactorily recovered with interest; (3) opportunities outside purely agricultural production are available to the rural poor; (4) provision of non-farm institutional credit may be financially viable; (5) productive use of credit is the best security for loans; and (6) institutional constraints are the main impediments to providing credit to the rural poor. (3056)

78. Meyer, Richard L. and Emmanuel F. Esguerra, "Rural Deposit Mobilization in Selected Asian Countries". Economics and Sociology Occasional Paper No. 1120, Department of Agricultural Economics and Rural Sociology, The Ohio State University, November 1984, 26 p.

Revised version of a paper presented at the APRACA Workshop on Rural Savings Mobilization held October 3-5, 1984 in Manila. The paper analyzes the performance of Bangladesh, Indonesia, Philippines and Thailand in rural deposit mobilization in the late 1970s and early 1980s. Data are presented on the share of rural deposits in total deposits, the share of rural deposits of selected agricultural lenders, number of rural deposit-taking institutions, and the structure of interest rates on deposits, loans and refinance funds.

The authors argue that the interest rate structure discourages deposit mobilization and the expansion of banking into rural areas. Tapping rural deposits requires modification of interest rates as a first step. (2998)

79. Miyan, A Halim and V.U. Quintana, "A study of the Bangladesh Krishi Bank-Grameen Bank Project, 1981". FAO/UNDP Project No. BGD/80/021/A/01/12, 1982, 45 p.

Using both primary and secondary data from three villages in the district of Tangail, this paper identifies the strengths and weaknesses in the implementation of the Grameen Bank Project by way of showing the impact of the Project on its members, the rural community the project is intended to serve, and the Bangladesh Krishi Bank. Information on sources of income for members before and after the project, changes in productive activities brought about by the project, profitability of project-funded activities and interest earnings and costs of operating a Grameen Bank Unit are presented. The paper considers the Grameen Bank Project a success in so far as it has widened the range of economic activities participated in by the landless and poor villagers. In addition, the project is deemed successful in that it has resulted in an increase in loan volume to the poor and landless without difficulty in loan recovery and deposit mobilization. Paper ends with a number of recommendations for improving GBP operations. (2547)

80. Mridha, A.T.M.I., "Country Paper on Rural Savings Mobilization in Bangladesh". Presented at the APRACA Workshop on Rural Savings Mobilization, Philippines, October 3-5, 1984, 29 p.

Focuses on savings mobilization in Bangladesh with emphasis on the rural sector. Provides general information about the Bangladesh economy and its agricultural sector in particular. Presents information on the trend of overall savings (types as well as structure),

national policies and programs for mobilizing deposits, and formal institutions active in deposit-taking in the rural areas. Makes several recommendations to improve deposit mobilization in rural Bangladesh. (2979)

81. Robert Nathan Associates, Inc., "Bangladesh Bank Agricultural Credit Study Project: Phase II Report". Washington, D.C., March 10, 1978, 221 p.

This is the second part of a three-phase study of the agricultural credit system in Bangladesh. It concentrates on recommendations directed mainly to the agricultural credit institutions and programs in Bangladesh. Suggestions to improve agricultural extension, supply of production inputs, and farm commodity markets are also made. The report contains background information on the activities of the agricultural credit institutions (Bangladesh Krishi Bank and the nationalized commercial banks): their functions and expansion strategy, volume of lending and financial viability, and collection performance. Training needs of agricultural credit institutions are discussed quite extensively. Also discussed are certain related issues such as interest rate policy, government guarantees, crop insurance and fertilizer distribution. (3043)

82. Quasim, M.A., "Grameen Bank Project--A Blessing for Our Rural Poor". Bank Parikrama, Vol. VII, Nos. 1 & 2, March & June 1982, pp. 96-98.

A very short article discussing the success of the GBP and arguing for continued support from top executives of the banking sector in particular. (3062)

83. Quasim, M.A., S.R. Saha, and B. Saha, "A Study on the Impact of Grameen Bank Project Operation on Landless Women". Institute paper, Bangladesh Institute of Bank Management, December 1981, 36 p.

The study evaluates the impact of the Grameen Bank Project on the socio-economic status of landless women and their families based on a survey of 50 landless women loanees from several selected villages in the district of Tangail. Specifically, the paper examines the effects of the project on the income, expenditure, savings and standard of living of the families of the landless women loanees; on the social status, behavior and economic activities, etc. of the women loanees themselves; and on the general economic condition of the people in the sample areas. Recommendations for improving the project are then made. (2545)

84. Rahim, A.M.A., "A Note on the Applicability of a High Interest Rate Structure in Bangladesh". Bangladesh Bank Bulletin, Vol. 5, November 1973, pp. 1-12.

Paper criticizes the assumptions used to maintain low and inflexible interest rates in Bangladesh. Information on the structure of interest rates in Bangladesh in 1973 is also presented. Author concludes that higher and more flexible interest rates would allow financial markets to improve their performance. (1497)

85. Rahim, A.M.A. "Interest Rate--The Concept and Policy Application in the Context of Bangladesh". Souvenir on Banking Supplement, Dacca, Bangladesh, Bangladesh Bank, 1972, pp. 13-24.

Purpose of paper is to examine the underlying rationale of lower and stable interest rate policy in Bangladesh in the context of present inflation and suggest a revised rate structure to revitalize the chief instrument of monetary policy. Bangladesh follows a policy of low and stable interest rates in order to stimulate investment and minimize government debt financing, and to provide cheap finance to export crops and working capital to business enterprises. The author argues that raising the interest rates will discourage low productivity use of capital, encourage the use of labor-intensive techniques of production and induce postponement of current consumption. Interest rates paid on time deposits should be raised from 8 to 16 percent according to period of maturity and lending rates from 12 to 20 percent. (1640)

86. Rahim, A.M.A., "The Advance Structure of the Banking System Since Liberation". Unpublished paper. Bangladesh Bank, Dacca, Bangladesh, September 1977, 11 p.

Purpose of paper is to examine the performance of nationalized banks in Bangladesh in an attempt to identify the structural changes that may have taken place and to assess the degree of achievement or failure. Author points out recent development in terms of establishing special agricultural credit to be implemented by nationalized commercial banks. Objective of the program is to provide credit for crops essentially grown by marginal farmers who have little access to institutional credit. Author, however, indicates that no structural change has taken place in the allocation of credit to productive sectors. Credit programs in operation since liberation have been more concerned with the goal of dissuading credit to certain purposes than with the requirement of making credit flow into isolated areas. (1641)

87. Rahim, A.M.A., "The Performance of the Banking System, 1971-77". Unpublished paper. Bangladesh Bank, Dacca, Bangladesh, circa 1978, 24 p.

The author examines the performance of nationalized banks in Bangladesh from 1971-77. He notes that there has been very little change in the structure of bank loans, even though banks are now publicly owned. He goes on to argue that changes in the way credit is allocated will be necessary if social goals are to be realized. (1784)

88. Rahim, A.M.A., "The Performance of the Banking System, 1971-1977". Journal of the Institute of Bankers, Bangladesh, Vol. 6, December 1977, pp. 23-59.

Author reports on the performance of the nationalized banking system and evaluates their performance by how well policy goals have been achieved. The article attempts to identify specific problems that have hindered a realization of these goals and suggests how such problems can be resolved. (1841)

89. Rahman, Atiqur, "Structure and Capital Accumulation in Bangladesh Agriculture: A Case of Low Level Equilibrium Trap?" Unpublished paper, Clare College, Cambridge, U.K., January 1978, 55 p.

The purpose of the article is to determine the investment behavior by size classes of farm households in selected areas in Bangladesh. Article presents a review of past studies on rural savings and investment, and a breakdown of investment into productive and nonproductive parts. A further argument is that pre-capitalist forces of production still dominate the agrarian sector of the country. Conclusions are that investment by farm size increases with rises in income. However, when investment is disaggregated into productive and non-productive parts, it is shown that farms with greater surplus reveal preference for nonproductive investments. Important items of nonproductive investment are land purchases, construction and purchase of consumer durables. (1571)

90. Rahman, Atiqur, "Surplus Utilization and Capital Formation in Bangladesh Agriculture". The Bangladesh Development Studies, Vol. VIII, No. 4, 1980, pp. 21-46.

Paper argues against the widely-held view that the low rate of capital formation in Bangladesh agriculture is due to the non-availability of investible surplus among farm households. Using field survey data from two areas in Bangladesh, the paper shows that farm households have considerable surplus and that this surplus varies positively with farm size. However, reinvestment of the surplus in productive uses was found to be negatively related to farm size. This phenomenon is explained in terms of some technical and structural constraints, such as: the existence of sharecropping arrangements which dampen incentives for productive investments by both tenants and landlords; and the tendency of the rural credit market to divert some capital away from productive uses. The paper also presents some evidence showing that the inverse relationship between farm size and reinvestment of surplus is somehow weakened by the introduction of new technology. (3021)

91. Rahman, Atiqur, "Usury Capital and Credit Relations in Bangladesh Agriculture: Some Implications for Capital Formation and Capitalist Growth". The Bangladesh Development Studies, Vol. VII, No. 2, 1979, pp. 1-46.

The role of the rural credit market and usury capital in perpetuating backwardness in agriculture is examined. Two areas in Bangladesh are considered: Phulpur and Comilla. Based on survey data covering a total of 237 farm households from both areas, various features of the credit market, credit relations and their interlinkages among various groups of farm households are presented. These include: sources of finance and magnitude of borrowing by farm households, uses of credit, terms and conditions of loans, collateral requirements, and landlord-tenant relationships. The article attempts to advance an alternative view of the role of rural credit markets in pre-capitalist agriculture by considering the totality of credit and land relations and the fact that a large part of the loans in Bangladesh are provided interest-free. It is argued that the rural credit market in the pre-capitalist agriculture restrains capital formation and capitalist growth by (i) helping maintain the existing agrarian structure, i.e. by "redressing any imbalances introduced by exogenous factors, e.g., natural disasters, new technology, etc., and (ii) diverting resources away from productive channels to the extent that returns from moneylending are higher than those in other areas. It is further argued that a more complete and coherent analysis of the constraints to capital formation in backward agriculture requires examination of the nature of and restrictions imposed by the markets for land, labour and commodities. (3016)

92. Rahman, Khandker Mahmudur, "Providing Credit Facilities to Small Farmers with Special Reference to the Integrated Rural Development Program". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, October 23-25, 1978, 30 p.

This paper discusses some aspects of farm credit with particular reference to the credit operation system of the Integrated Rural Development Program (IRDP) of Bangladesh. The author describes present agricultural credit problems and suggests solutions. (1904)

93. Rahman, M. Lutfor, "Some Aspects of Financing Small Farmers in Bangladesh". Bank Parikrama, Vol. VII, Nos. 1 and 2, March & June 1982, pp. 49-59.

Describes the various institutions and mechanisms for providing institutional credit to small farmers in Bangladesh. Presents information on the flow of credit to small farmers for the period 1970-71 to 1979-80 and the performance of several credit institutions and special credit programmes. Observes that the recovery percentage of banks is poor in general, that real and effective cost of institutional credit is biased against the small farmers, and that the supply of cheaper farm inputs and coordination of different rural development programmes are necessary to improve the small farmers' economic condition. (3059)

94. Rana, Pradumna B., "Domestic Resource Mobilization Through Financial Development: Bangladesh". Report of an Asian Development Bank Economic Mission, February 1984, 121 p.

The study suggests ways to enhance domestic resource mobilization through improvements in the structure and operation of the financial sector. It is particularly concerned with ways in which the saving rate might be increased through financial development. Trends in savings and investment rates are examined and the impact of financial development on these variables is evaluated. The process of financial intermediation is highlighted; financial institutions and instruments available are described and the efficiency of the intermediation process assessed. Government policies and programs for domestic resource mobilization are also discussed. Finally, reforms in monetary and interest rate policies, credit allocation and institutional policies are recommended. (3042)

95. Raquib, Abdur, "Credit for Equitable Rural Development in Bangladesh". Bank Parikrama, Vol VI, Nos. 3 & 4, 1981, pp. 45-56.

Discusses the importance of making credit available to the rural people in order to realize the various objectives of rural development which include: (a) increased agricultural production; (b) employment-creation; (c) equitable distribution of incremental benefits; (d) rural infrastructure improvement; and (e) strengthening of rural institutions. Presents data to show that despite an increase in the number of rural branches, deposits and advances, substantial amounts of capital are being transferred to the urban sector. Describes two innovative experiments of rural credit in Bangladesh and points out their positive and negative aspects. (3046)

96. Rashid, Mohammed Haroonur, "Informal Credit and Interest Rates in an Underdeveloped Rural Economy: A Case Study of Bangladesh". Unpublished Ph.D. dissertation, Boston University, 1983, 386 p.

Study is based on interviews in 1979 with 119 households in two rural villages of Bangladesh. Author focuses on explaining the forces that govern interest rates paid on informal loans. Author found that half to two-thirds of households had loans outstanding but that only about 15 percent of them had loans from formal sources. Half or more of the households had informal loans. Most of the informal loans were for short periods and carried average rates of interest of 42 to 48%. The effective cost of borrowing from formal sources, for loans similar in size to loans from informal sources was 35 to 50 percent. Author concludes that monopoly profits were a significant part of the interest charges on informal loans, especially in one of the communities. Further, that these monopoly profits were possible because of the superior social and political positions held by the lenders.

97. Safdar, S.A., "Development of Co-operatives in Indo-Bangladesh Sub-Continent: A Chronology of Events, 1875-1976". Bangladesh Jatiya Samabaya Bank Ltd., Dacca, Bangladesh, November 1976, 37 p.

This study looks at the major events in the development of cooperatives in Bangladesh. The author finds target minded organizations, weak leadership, lack of management and dependence on government as reasons for failure to build a healthy cooperative system in Bangladesh. (2175)

98. Saha, Jadab Chandra, "A Case of Differential Interest Rates for the Rural Poor". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 13 p.

Author argues for a differential interest rate scheme in which small farmers could acquire credit at a concessional rate and large farmers pay a higher rate. Presently large farmers receive most of the credit at a preferential interest rate. Author believes that this will eventually lead to a social and economic imbalance with small farmers becoming worse off. This situation could be corrected through concessional interest rates. Author concludes that differential interest rates will stimulate investment by small farmers and reduce socio-economic disparity without affecting financial viability of credit institutions. (1910)

99. Saha, J.C., "Differential Rates of Interest on Rural Credit: Some Observations". Bank Parikrama, Vol. VIII, Nos., 1 & 2, March & June 1983, pp. 66-70.

Discusses the current structure of interest rates for rural credit in Bangladesh. Argues for a structure of differential interest rates to benefit the small asset group of borrowers. Suggests ways of "dynamic and tactful" administration of credit in general and differential interest rates in particular. (3050)

100. Shahid, A.T.M. Abdus, "IDA Credit in the Development of Small-Scale Industries in Bangladesh". Bank Parikrama, Vol. VI, Nos 3 & 4, September & December 1981, pp. 66-74.

Briefly evaluates the three IDA-financed credit programmes for small-scale industries in Bangladesh. Presents information on loan disbursements, kinds of activities financed and their number, results of the programmes and aspects of the programmes needing improvement. (3048)

101. Siddique, A.K.M., "Money and Inflation in Bangladesh". The Bangladesh Development Studies, Vol. III, No. 1, 1975, pp. 27-42.

Analyzes the monetary aspects of inflation in Bangladesh to see the effect, if any, of money velocity changes on inflation over the period April 1973 to March 1974. A regression analysis is used to examine the relationship between money supply and the price level. The results

indicate that there was a "discrete jump" in the velocity of circulation of money during the period under study probably due to inflationary expectations. The study argues that eliminating inflationary expectations should be the objective of monetary and fiscal policy. That the major expansionary forces during the period were government fiscal operations and net borrowings of the nationalized industries sector suggests that budgetary deficits and borrowings need to be drastically reduced. Otherwise these would induce money supply to further expand, raise the price index, fuel inflationary expectations and raise money velocity further. (3018)

102. Smith, Homer, Raymond Borton, and Kenneth Craib, "Agricultural Credit for Small Farmers in Bangladesh". Unpublished paper prepared for USAID/Bangladesh and Bureau for Asia, Agency for International Development, December 1976, 99 p.

Report is on the possibility of establishing a program of agricultural production credit for small farmers in Bangladesh. The objectives of the effort were: 1) to review and evaluate the various institutional arrangements for supplying credit to small farmers, 2) to review alternative non-institutional sources of credit and level of use, 3) to recommend measures to improve availability and type of small farmer credit and 4) to evaluate the feasibility of pilot projects to provide credit to small farmers in Bangladesh. (1357)

103. Sobhan, Rehman and Syed Akhter Mahmood, "Repayment of Loans to Specialized Financial Institutions in Bangladesh: Issues and Constraints". The Bangladesh Development Studies, Vol. 9, No. 1, Winter 1981, pp. 35-75.

The paper is part of a larger study on the role of financial institutions in the development of entrepreneurship in Bangladesh. It reviews the official policy of deploying public resources towards the development of private enterprises. Using data from a sample of 408 enterprises, the study notes that the rate of default in firms of this size has been high and rising through 1981. Non-repayments tend to be a pervasive phenomenon among private entrepreneurs as indicated by the absence of significant differences in the repayment performance of firms regardless of location, sector of activity, or size. The paper calls for a comprehensive review of the underlying socio-political assumptions of the policy of using public resources for private entrepreneur development, including their evolution, operation and implications. (2889)

104. Taheruddin, Muhammad, "Some Issues of Bank Management in Bangladesh". Bank Parikrama, Vol. VI, Nos. 3 & 4, 1981, pp. 13-81.

Discusses the importance of management training in banks in view of the substantial expansion in bank network activities since nationalization. Some of the problems related to inadequate training of bank personnel are enumerated. (3044)

105. Taheruddin, Muhammad, "Problems of Financing the Rural Poor". Bank Parikrama, Vol. VIII, Nos. 1 & 2, March & June 1983, pp. 19-26.

Discusses certain problems often encountered in financing the rural poor: creditworthiness, tendency to default, etc. Cites evidence of good loan recovery performance where proper group formation was resorted to prior to lending. Enumerates factors crucial to group formation and emphasizes supervision in financing the rural poor. (3049)

106. Uddin, Mohammed Kayem, "A New Rural Co-operative System for Comilla Thana". Thirteenth Annual Report 1072-73, Bangladesh Academy for Rural Development Comilla, Bangladesh, April 1976, 65 p.

Report presents information on loans made and savings mobilized by a rural cooperative system in Comilla, Bangladesh. The report shows that about 10 percent of the value of loans made by the cooperative system were made up by members' deposits or share purchases. (1337)

107. U.S. Agency for International Development, "Financial Sector Assessment (Bangladesh)". U.S. Agency for International Development, Dacca, Bangladesh, May 1982, 73 p.

An overview of the financial sector in Bangladesh is provided and major institutions in the financial system are described. Information on the organizational structure and major functions of the Bangladesh Bank as well as on the relative performance of the nationalized commercial banks and the special banks are presented. Issues confronting the financial sector such as low interest policy, low loan recovery rates, low bank profitability and exchange control are also briefly touched on. The paper includes 1978-79 and 1979-80 data from balance sheets and income statements of the commercial banks and special banks. Some information regarding foreign bank branches, the stock exchange, cooperatives and the

informal credit markets are also contained in the paper. A listing of published studies on the financial sector of Bangladesh is included. (2546)

108. U.S. Agency for International Development, "Rural Finance Experiment Project". Proposal and Recommendations--Project Paper, Agency for International Development Washington, D.C., 1977, 67 p.

The report highlights various proposals and recommendations of a Rural Finance Experimental Project undertaken by USAID in Bangladesh. The project is intended to test the effectiveness of different credit systems in reaching the target groups. Each credit model has been tested for its effectiveness toward technical, economic, financial and social feasibility. (1790)

109. USAID Project Evaluation Team (Friedkin, T., Team Leader), "Bangladesh Small-Scale Irrigation". AID Evaluation Publications (AID Project Impact Evaluation No. 42, PN-AAL-010), February 1982, 28 p.

The paper evaluates the AID-Bangladesh Small-Scale Irrigation Project which was designed to provide hand tubewells to farmers with small landholdings mainly through bank credit and cash sales. Important findings include (a) problems in the credit distribution system resulting in the failure of the target group of farmers to gain access to credit; (b) increased farmers' incomes due to the possibility of a third crop; (c) the presence of side benefits not anticipated in the initial project design (e.g., potable water resulting in less stomach ailments). Obstacles to successful project implementation are also discussed. (2711)

110. Wennergren, E. Boyd, Charles H. Antholt and Morris Whitaker, "The Agricultural Marketing System", Agricultural Development in Bangladesh. Boulder, Colorado, Westview Press, 1984, pp. 127-186.

Agricultural Development in Bangladesh contains essentially the same information as the 1983 report entitled An Assessment of the Agricultural Sector in Bangladesh by the same authors. Chapter 4 of this book discusses the structure of markets in Bangladesh and the relative efficiency with which institutions contribute to the promotion of developmental goals. The philosophy of the Bangladesh government regarding the role of private markets in resource mobilization is examined in relation to the performance of agricultural factor and product markets. The adequacy of government-provided marketing functions is also considered.

The chapter concludes that the agricultural marketing system of Bangladesh is a mixture of public/private participation, with extensive government intervention despite a shift in philosophy towards increased private participation. The emphasis on foodgrain security has had negative impact on agricultural development programs which might have provided the impetus for long-term growth. It is argued that many of the deficiencies in the system can be explained by the government interventions and the continuation of subsidies which distort price incentives and cause resources to be misallocated.

Various sections of chapter 4 discuss specific product (foodgrain, jute, sugarcane, cotton, tobacco) and factor (land, labor, credit) markets and the nature and degree of government intervention in these markets. (3017)

111. World Bank, "Bangladesh--Agricultural Credit Study". Review Mission Report, World Bank, Washington, D.C., April 6, 1978, 52 p.

The report presents the recommendations of consultants in Bangladesh in 1977. The consultant committee was set up to review the agricultural credit situation in Bangladesh in three phases: to examine the agricultural credit system, to make recommendations for reorganization, and to assist the government of Bangladesh in implementing the recommendations. The report discusses the recommendation, the government's response, and implications of the recommendations. The final section contains annexes dealing with some of the agricultural credit issues in Bangladesh. (1935)

112. Yunus, M. and J.A. Rahman, "Jobra: The Grameen Bank Project". (Reprint from) Shishe Diganta, Bangladesh, April 1980, 8 p.

The article presents in popular, non-technical style the rationale for the Grameen Bank Project and its special relevance to poor households. (2560)

113. Yunus, Muhammad, "Bhumiheen Samati (Landless Associations) and Mohila Samat (Women's Association) in Jobra and Other Villages". Paper presented at the International Workshop on Providing Financial Services to the Rural Poor, Bangladesh Bank, Dacca, Bangladesh, October 23-25, 1978, 28 p.

Describes the group lending program for landless laborers and women. Discusses terms of loans and operational procedures of the project. Appendix includes statistical information about the project. (1936)

114. Yunus, Muhammad, "Experience in Organizing Grass-Root Initiatives and Mobilizing People's Participation: The Case of Grameen Bank Project, Bangladesh". Unpublished, October 1982, 28 p.

Presents the rationale, history, organization and mechanics and performance as of 1981-1982 of the Grameen Bank Project. Problems attendant to the operation of GBP units are discussed and prospects for the program's continuation in the future are briefly considered. Data presented include GBP membership, loans disbursed and repaid, activities financed by loans, savings generated. (2825)

115. Yunus, Muhammad, "Grameen Bank Project, Towards Self-Reliance for the Poor". UN Integration of Women in Development ESCAP UNDP Regional Project RAS 78 045, December 1980, 27 p.

Paper introduces the concept of the Grameen Bank Project by discussing the need for a new credit institution to serve the needs of the rural poor, in particular, landless women. The nature, history, organization and mechanics of the Grameen Bank Project are then discussed. Information on the Project's loan operations as of 1980 are presented in appendices. (2557)

116. Yunus, Muhammad, "Group-Based Savings and Credit for the Rural Poor". Paper presented at the Inter-Country Workshop on "Group-Based Savings and Credit for the Rural Poor", International Labor Organization, November 6-13, 1983, 16 p.

Argues that availability of credit to the poor is important if their income situation is to be improved. However, conventional methods of credit delivery have shown themselves to be inefficient and inadequate to reach the rural poor. The delivery-recovery mechanism of the Grameen Bank Project is discussed as a workable alternative to the conventional delivery system. The importance of group-based activity in saving and borrowing is highlighted and its advantages briefly discussed. (3027)

117. Yunus, Muhammad, "On Reaching the Poor". Paper presented at the Project Implementation Workshop of the International Fund for Agricultural Development, April 1984, 16 p.

Argues that programmes can effectively reach the poor if they are designed for the job, manned by specialized personnel, designed by people with the proper orientation and implemented within a national policy framework that supports poverty-focused programmes. Emphasizes the importance of a total approach as against ad-hoc programmes and the centrality of institution building and cultivating self-reliance among the poor. (3028)

118. Yunus, Muhammad, "Grameen Bank Project in Bangladesh--A Poverty-Focused Rural Development Programme". Paper presented at Workshop on Rural Development and Small Farmer Credit for South Asia, the Pacific and East Africa, Bangladesh Academy for Rural Development, March 22-27, 1982, 30 p.

Provides a background of the Grameen Bank Project (GBP) --its history, objectives, organization and operational procedures, the problems it attempts to address and some problems encountered in the process. Argues for an approach that is oriented towards the poor and not just a particular type of farmer, since the "poor" and "small farmer" are not necessarily synonymous in the context of widespread landlessness or near-landlessness in Bangladesh. Also provides a description of the impact of GBP on Bangladesh agriculture and its future direction. (3026)

119. Yunus, Muhammad, "Rural-Agricultural Credit Operations in Bangladesh". Paper presented at the Annual Conference of the Bangladesh Economic Association, April-May 1981, 28 p.

Paper examines demand and supply for agricultural credit, the main sources of institutional credit, the special agricultural credit programme and the loan disbursement pattern under the program. Data are presented on amounts loaned by institutional sources, number of borrowers per credit agency and loan recovery performance. The institutional framework of credit operations in Bangladesh is then discussed and problems are identified. A broader framework for a rural credit program is proposed at the end. (2558)

120. Yunus, Muhammad, "Rural Development: A New Development Strategy, Not a New Priority". Paper presented at the National Seminar on Rural Development (organized by Min. of Local Government, Rural Development and Cooperatives), April 1978, 12 p.

Argues that new institutions are needed to effect "bottom-up" development and ensure the participation of people in the process of development. Suggests designs for few institutions. (2562)